

January 31, 2006

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: D.T.E. 05-87

Dear Secretary Cottrell:

On behalf of Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid (“National Grid” or “Company”), I am providing comments on the emergency regulations that the Department promulgated on December 27, 2006 to expand the eligibility for the low-income discount rate for electric and natural gas customers contained in 220 C.M.R. § 11.04(5) and 220 C.M.R. § 14.03 (2A). We appreciate the opportunity to provide these comments.

Background

The Heating Energy Assistance and Tax Relief Act (“Act”), effective on November 22, 2005 upon the signature of Governor Romney, expanded the eligibility for the low-income discount rate for electric and natural gas customers. Under the Act, the Department is required to promulgate regulations to implement the expanded eligibility.

On the electric side, Sections 11 and 12 of the Act amend Mass. Gen. Laws c. 164, § 1F by expanding eligibility for the low-income discount for electric customers to 200 percent of the federal poverty level, and in any year in which eligibility for the low-income home energy assistance program (“LIHEAP”) exceeds 200 percent, the eligibility for the discount expands

accordingly. This expanded eligibility must now be reflected in the Department's regulation regarding eligibility for a low-income discount rate, 220 C.M.R. § 11.04(5). In addition, Section 13 of the Act directs the Department to promulgate regulations which require jurisdictional electric companies to provide customers with information regarding cost saving mechanisms, including rebates, discounts, and credits. In order to effect this change, the Department has added 220 C.M.R. § 11.04(15).

On December 27, 2005, the Department promulgated emergency regulations implementing these requirements. The Department now seeks comments on its emergency regulations.

220 C.M.R. §11.04(5)

Section 12 of the Act provides in pertinent part that "[i]n a program year in which maximum eligibility for the low-income home energy assistance program, or its successor program, exceeds 200 per cent of the federal poverty level, a household that is income eligible for the low-income home energy assistance program shall be eligible for the low-income discount rates required by" Mass. Gen. Laws c. 164, § 1F (4)(i). National Grid understands that the last sentence currently in the 220 C.M.R. §11.04(5) attempts to re-state this eligibility criterion, but finds it confusing. Accordingly, National Grid recommends replacing it with language that more directly mirrors the language in the statute. For example, National Grid believes that the following language is more clear: "In a program year in which maximum eligibility for the low-income home energy assistance program, or its successor program, exceeds 200 per cent of the federal poverty level, a household that is income eligible for the low-income home energy assistance program shall be eligible for the low-income discount rates required by this section."

220 C.M.R. §11.04(15)

The Department has added Subsection 15 to its regulations regarding electric distribution company requirements to address the Act's information dissemination requirements. National Grid believes that this addition is consistent with the Act.

National Grid further recommends that the Department supplement Subsection 15 as currently written to make clear that the semi-annual dissemination requirement requires dissemination twice a year but not necessarily at even six month intervals. If the requirement is flexible, the Department and distribution companies will be able to provide the information to customers at times when it will be most useful to them, which may differ from year to year. For example, if Basic Service prices increase, customers are likely to find the information more pertinent. In addition, during periods of high use, such as the winter heating season and the summer cooling season, customers may find this information more pertinent. National Grid's customers, with new and increased Basic Service prices going into effect on November 1, 2005, faced both as higher prices went into effect as they entered the winter heating season. For that reason, National Grid provided all residential customers with the required information in both its November/December "Energy Matters" newsletter and its January/February edition of the same newsletter.

Accordingly, National Grid recommends that the Department add the following sentence to the end of 220 C.M.R. §11.04(15): "For purposes of this subsection, semi-annually shall mean twice in one calendar year."

Mary L. Cottrell, Secretary

January 31, 2006

Page 4

Conclusion

We appreciate the opportunity to provide these comments. Thank you very much for your time and attention to this matter.

Very truly yours,

A handwritten signature in dark ink, reading "Amy G. Rabinowitz". The signature is written in a cursive, flowing style.

Amy G. Rabinowitz

Cc: Joe Rogers, Office of the Attorney General